

## **BUDGET**

### **Checklist for Final Budget Report:**

The following is a checklist of common problem areas in budgeting for schools. OPI suggests you use it to review final budget reports before submission.

Most budget problems occurring after mills are levied are caused from the \* items.

#### **1. Check Taxable Valuation as entered.**

- a\*. Taxable Valuation entered on budget matches the amount reported to the county and district by the Department of Revenue (DOR) the first Monday of August or any revised reports that were submitted by DOR.
- b. Taxable Valuation should seem reasonable. If changes from the prior year are extreme, either up or down, a reason should be available.
- c. If a joint district, verify taxable values split between counties agree to the values reported on the County FP8a Report.
- d. If a joint district, check ANB split between counties to confirm that ANB reported here matches ANB used to calculate county retirement GTB entitlement. Refer to County FP-8a Report.

#### **2. Check non-levy revenues.**

- a. Non-levy revenues on the TFS should match Treasurer's report for that fiscal year, adjusted for receivables.
- b. Some non-levy revenues for the General Fund budget must match the non-levy revenues reported on the previous year's TFS for the General Fund. (OPI Pre-fills these revenues on the budget)
- c\*. Non-levy revenues estimated for all funds should look reasonable.

#### **3. Check General Fund budget voted levy amount.**

- a\*. Voted amount on budget matches amount voted on the ballot.
- b. Voted amount may be greater than amount needed but never less.

#### **4. Check reserves.**

- a. General Fund operating reserve is within the limitations: 10% of the

adopted budget or \$10,000, whichever is greater. Smaller schools may want to identify up to \$10,000 in General Fund Operating Reserves rather than reappropriate amounts above 10% of Adopted Budget.

- b. Debt Service Fund operating reserve is within the limitation. MCA, 20-9-438, allows a reserve approximating the payments due between July 1 and November 30 of the ensuing year. However, payments due July 1 should be included in the budget of the prior year and should not be reserved. There should be no operating reserve in the final year in which the bonds are paid.

**5. Check Transportation Fund On-Schedule amounts and budgeted payments.**

- a. Line 3210-State On-Schedule Transportation Reimbursement and Line 2220-County On-Schedule Transportation Reimbursement on the budget should each be one-half of Line 0005-On-Schedule plus line 0006-Contingency or one-half of Line 0001-Adopted Budget, whichever is less, unless the mill levy is zero.
- b. State will pay valid claims up to the lesser of: The total on Line 3210 or 50% of Line 0001-Adopted Budget. The county will pay valid claims up to the lesser of: the total on Line 2220 or 50% of Line 0001-Adopted Budget.
- c. **Attn: Small districts:** Contingency on Lines 0006 may total at least \$100, even if that exceeds 10% of Line 0005-On-Schedule.
- d. Total state and county payment of claims will be made UP TO the total amount on Line 0005. Be sure this amount is sufficient to cover all valid TR-4 individual reimbursements and TR-1 bus route reimbursements.
- e. State and county reimbursement only covers 180 school days. Line 0011 Over-Schedule budget should include enough to cover special ed 'extended year' transportation beyond 180 days and any additional costs of special ed transportation that exceed the state and county reimbursements.
- f. Adopted Budget should include cost of the transportation program plus Line 0006-Contingency. (i.e., To claim contingency funding, you need budget authority to spend it.)

**6. Check Debt Service Fund budget amounts and verify the accuracy of the MAEFAIRS pre-filled payment amounts.**

- a\*. Bond types are correct. (i.e., Elementary G.O. bond is "BE," etc.)

- b\*. Determine whether 'Issue Date' is accurate.
- c\*. Principal, interest and agent fee amounts must accurately represent obligations of the fiscal year.
- d\*. Check multiple taxing jurisdictions for correct Taxable Valuation, fund balance distributions and School Block Grant payments.
- e\*. The first year's interest, agent fees and principal payment amounts are budgeted in the Debt Service Fund. The OPI certified advance payment for school facilities should be reported as estimated revenue to reduce mills levied.

**7. Check Special Education reversion calculation on TFS**

- a\*. Determine whether 'allowable costs' are coded correctly on the Trustees' Financial Summary (TFS), including transfers to coops.
- b. If special education directors are not certified, administrative salaries and benefits (24XX 1XX/2XX) are not included as allowable expenditures.
- c. Transfers from coops to districts should be deposited in the Miscellaneous Programs Fund (Fund 15) not the General Fund (Fund 01) and expended by 6/30 or returned to the coop.

**8. Check budget amendment PRC and/or coding and PRC for transfers.**

- a\*. Budget amendment and cash and/or budget transfer expenditures are coded in the correct fund using OPI-assigned project reporter codes. (910, 911, 912, etc.)

If you have questions about this checklist, please call Janelle Mickelson at (406) 444-3249 [jmickelsonl@mt.gov](mailto:jmickelsonl@mt.gov) or Kathleen Wanner at (406) 444-9852 [kwanner@mt.gov](mailto:kwanner@mt.gov).

## **GENERAL INFORMATION**

### **For Assistance Call:**

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See School Accounting Manual, section 3-0500 for descriptions of revenue items.

**IMPORTANT NOTE:** The amount entered for each fund on Line TFS48 of the Budget **MUST EQUAL** the amount on the balance sheet of the Trustees' Financial Summary, Line 48-Fund Balance for Budget (961-970), for that fund.

**NOTE:** To view book marks, click on "View", "Navigation Panels", and "Bookmarks". This will allow you to jump to the sections you wish to review.

## **BUDGET INSTRUCTIONS**

### **STEP 1: District Taxable Valuation**

Taxable Valuation: Enter the current year certified taxable valuation, provided by the Department of Revenue (no later than the 1st Monday in August). (MCA 15-10-202)

District Mill Value = Taxable Valuation X 0.001 = \_\_\_\_\_

For Joint Districts Only: Enter the ANB and taxable valuation for each county in the joint district.

Certification: All approval agents must sign before the budget is considered final.

## **BUDGET INSTRUCTIONS**

### **STEP 2: Taxing Jurisdiction (Debt Service Only)**

Allocate taxing jurisdiction amounts for each taxing jurisdiction (i.e., each area that pays separately for a bond, SID, or RID). Contact OPI to add a new taxing jurisdiction. New taxing jurisdictions may be added each year.

**Note:** Different bonds may have different taxing jurisdictions. Use caution to enter the correct information. Your County Treasurer may be of help in identifying separate taxing jurisdictions.

## **BUDGET INSTRUCTIONS**

### **STEP 3: Bus Depreciation (Buses/Radios)**

#### **Setup Bus Asset:**

MAEFAIRS stores information about each bus and radio previously reported and calculates the levy limit for the budget year. Indicate any new bus or radio purchases here. Enter the amount to be depreciated, up to the limit shown.

Fiscal Year of Purchase (FYOP): Fiscal year the bus or radio was purchased (i.e., 2010 means FY 2009-10).

Cost to District: Original cost to the district of the bus or radio.

Identifying Description: Unique description of the bus or two-way radio.

VIN (Vehicle Identification Number): Actual (Note: All active buses must have VIN number before the budget can be submitted).

Asset has been sold or disposed of: Check the box, if Yes.

#### **Enter Bus Asset Depreciation:**

Maximum Levy Amount 'Cost to District' for this asset times 20% (0.20). This is the maximum allowed for depreciation this year unless this is the final year of "depreciation".

Levy Amount - Enter the amount to be depreciated this year. This year's levy may not exceed the '20% Limit'. This amount will be levied (and/or collected through receipt of non-levy revenues) in this budget year.

Total Depreciated - Recalculates when the 'Levy Amount' is entered showing total amount depreciated to date for the asset. This amount cannot exceed 150% times the bus' or radio's 'Cost To District'.

**NOTE:** Entering a 'Levy amount' less than the 20% Limit lowers the amount depreciated during the budget year (i.e., less than 20% for this year toward the 150% depreciation limit).

## **BUDGET INSTRUCTIONS**

### **STEP 4: Building Reserve (Elections)**

Voted Reserve Authorities:

Election Date - Date voters approved the building reserve (MM/DD/YYYY).

Total Authorized - Total levy amount authorized by voters.

Years Authorized - Number of years the building reserve levy is authorized for (maximum six (6) years for 'Transition' reserve and twenty (20) years for all others).

Levied Through Last Year\*- Amount levied in prior years.

Maximum Levy - Maximum levy authorized for the current year. May not exceed the 'Total Authorized' divided by the 'Years Authorized'

Levy Amount - Amount levied for the ensuing fiscal year. The sum of the 'Levied Thru Last Year' and the 'Levy Amount' may not exceed the 'Total Authorized'.

**NOTE:** You may enter a 'Levy Amount' which is less than 'Maximum Levy' if the district wants to use non-levy revenues to lower the amount levied. However, be aware that the levy authority will be lost.

\*'Levied Through Last Year' will not necessarily equal the fund balance or cash balance of this fund, since non-levy revenues also add to the fund balance over time. The fund may accumulate the voted amount authorized plus non-levy revenues.



## **BUDGET INSTRUCTIONS**

### **STEP 5: Debt Service (SIDs/RIDs)**

Complete the 'SIDs/RIDs' section for each taxing jurisdiction before completing the Debt Service Fund (Fund 50) Budget Report. Each taxing jurisdiction may have one or more outstanding bond issues or SIDs/RIDs. Add new SID or RID obligations on the report.

Special Improvement District(s) – SIDs

Rural Improvement District(s) - RIDs

#### **SID/RID Type:**

Enter the program- type of SID/RID (High School/Elementary)

#### **Jurisdiction:**

A taxing jurisdiction is an area in the district that is taxed for a particular purpose, such as a bond payment or SID/RID. Taxing jurisdictions are established and identified by the county assessor. A district may have several bonds or SIDs/RIDs outstanding in one or more taxing jurisdictions. Contact OPI to add a new taxing jurisdiction. New taxing jurisdictions may be added each year.

#### **Amount:**

Enter the SID/RID amount for the fiscal year, as provided by the taxing authority.

## **BUDGET INSTRUCTIONS**

### **STEP 6: Debt Service (Bonds)**

Complete the 'BOND ISSUES' section for each taxing jurisdiction before completing the Debt Service Fund (Fund 50) Budget Report. Each taxing jurisdiction may have one or more outstanding bond issues or SIDs/RIDs. With the exception of agent fees, OPI prefills the bond information. Districts must enter agent fees and accept the annual records.

#### **Jurisdiction:**

A taxing jurisdiction is an area in the district that is taxed for a particular purpose, such as a bond payment or SID/RID. Taxing jurisdictions are established and identified by the county assessor. A district may have several bonds or SIDs/RIDs outstanding in one or more taxing jurisdictions. Contact OPI to add a new taxing jurisdiction. New taxing jurisdictions may be added each year.

Original Bond Issue - This information is pre-filled by OPI from the debt schedules provided by the District. Verify the pre-filled information and enter agent fees for each bond issue. Accept the annual record

As a result of the 2003 Legislative session, effective 07/01/04, all bonds are considered eligible for consideration of Facilities Acquisition Reimbursements. (MCA, 20-9-367)

OPI pre-fills the following information:

Issue Type	Elementary or High School Bond; General Obligation, Refunding. or Revenue Bond.
Issue Date	Date the bonds were issued (MM/DD/YY).
Maturity Date	Date the obligation will be retired (MM/DD/YY).
Issue Amount	Principal amount of bond sold.
Tax Jurisdiction	Area in the district that is taxed.
Paid To Date	Amount of bond principal paid to date.
Principal*	Principal payments to be charged to budget year.
Interest*	Interest payments to be charged to budget year.

Agent Fees\* - Enter the amount of Agent Fees charged to budget year. Note: Agent Fees are included in the calculation for State Facilities Reimbursement. Therefore, do not overstate Agent Fees. They should be estimated using the best information available and should closely approximate actual fees. Overstating agent fees for shortfalls is not acceptable.

Total - Total of Interest, Principal, and Agent Fees for all issues in this taxing jurisdiction due this budget year under Budget Uses, included on Line 0002-Expenditure Budget.

\*Payments for Principal, Interest and Agent Fees should include the payments due from 7/16 through 7/15 of the following year (i.e., payments due on or before July 15 each year.)

## **BUDGET INSTRUCTIONS**

### **STEP 7: Budget (Funds)**

#### **General Fund (Fund 01)**

##### **Budget Limits**

- 0001** Adopted Budget -- Enter the district's General Fund budget as adopted by the district trustees.
- 0002** Expenditure Budget -- This field will equal Line 0001-Adopted Budget, unless an amount is entered on Line 0003-Add to Fund Balance.
- 0003** Add to Fund Balance -- (RARE) If the district plans to spend LESS than the adopted budget (i.e., to increase reserves, eliminate a negative fund balance, to allow for a forecasted shortfall in revenues, etc.), enter the amount of the adopted budget the district plans NOT TO SPEND. If an amount is entered here, Line 0002-Expenditure Budget will be lowered by that amount.

**NOTE:** Entering an amount on Line 0003-Add to Fund Balance does not alter the legally adopted spending limitation, which is the Line 0001-Adopted Budget amount.

**Budget Uses** -- The sum of Line 0002-Expenditure Budget and Line 0003-Add to Fund Balance. Must equal Line 0001-Adopted Budget.

- 0151** Amount Approved on Ballot by Voters -- Enter the amount submitted to and approved by voters, if any. Enter ONLY THE PORTION VOTED, not the entire adopted budget.

##### **Reserves**

- 0961** Operating Reserve -- Enter the amount of operating reserves. The maximum General Fund Operating Reserve allowed by law is 10% of the ensuing year's adopted budget or \$10,000, whichever is greater (MCA, 20-9-104)
- 0963** Reserve for Unused Protested/Delinquent Taxes -- Enter the amount of the unused reserve for protested/delinquent taxes.
- 0964** Reserve for Tax Audit Receipts -- Enter the unexpended balance received from tax audits.

**Note:** To reserve excess funds in the accounts (0963 & 0964), the Operating Reserve (0961) must be at the maximum allowed by MCA 20-9-104.

### **Estimated Funding Sources (Lines 0970-3120)**

**0970** Unreserved Fund Balance Reappropriated -- This amount equals total General Fund Balance for Budget (TFS48), minus Operating Reserves (961), minus Reserve for Protested / Delinquent Taxes (963), minus Reserve for Tax Audit Receipts (964). *MAEFAIRS calculates*

### **Revenues**

**3110** Direct State Aid -- *Prefilled by OPI.*

**3111** Quality Educator -- *Prefilled by OPI.*

**3112** At Risk Student -- *Prefilled by OPI. (No entitlement in FY10 & FY11)*

**3113** Indian Education for All -- *Prefilled by OPI.*

**3114** American Indian Achievement Gap -*Prefilled by OPI.*

**3115** State Special Education Allowable Cost Payment to Districts -- *Prefilled by OPI.*

**3120** State Guaranteed Tax Base Aid – *Prefilled by OPI.* As calculated on V-General Fund Worksheet Line (V-KI).

### **Actual Non-Levy Revenue**

These are revenues that the law requires to be anticipated on the budget using the prior year actual receipts. MAEFAIRS automatically records these revenue estimates using amounts reported on the TFS. These revenue codes include:

**1130** Tax Title/Property Sales

**1510** Investment Earnings

**1800** Community Service Activities

**1900** Other Revenue

**1910** Rentals-Buildings and Equipment

**1920** Contributions/Donations

**1940** Textbook Sale/Rental

**1945** Resale of Supplies/Materials

- 1950** Services to Other Schools
- 1960** Services to Other Governments
- 1970** Services to Other Funds
- 1981** Summer School Revenues
- 3302** State PLT, FWP

**Anticipated Non-Levy Revenue- Base**

These are revenues the law requires to be anticipated on the budget using the best information available. The revenue codes include:

- 1123** Coal Gross Proceeds – Pre-filled by OPI using information provided by the Dept. of Revenue each May.
- 3444** State School Block Grant -- For FY11 use FY10 actual receipts times 1.0076. In each succeeding fiscal year use the prior year times 1.0076. *Prefilled by OPI*
- 3445** State Combined Fund School Block Grant -- The district must enter all of the State Combined Fund School Block Grant in one or more budgeted funds. However, the total amount shown as State Combined Fund School Block Grant on the Prefilled Data Verification Report (TFS Step 1) must equal the sum of all 3445 revenue code estimates in all budgeted funds.
- 9100** Other Revenue -- Used to anticipate revenue types that do not fit an Anticipated Non-Levy Revenue source as shown on the list;

**AND**

- 9710** Residual Equity Transfers In -- Used to anticipate the receipt of a transfer from the closure of another fund; closure of a district; or annexation of a district.

**Other Non-Levy Revenue**

These are revenues the district may anticipate. Due to the ability to hold these receipts as Excess Reserves, these sources are rarely anticipated and it is not recommended to anticipate them. Types of revenue the district might want to list here include:

- 1117** Prior Year Taxes
- 1118** Tax Audit Receipts
- 1190** Penalties and Interest on Taxes

### **Anticipated Non-Levy Revenue- Over-Base**

As of FY03, estimated tuition receipts can be used to fund the Over-BASE budget area. MAEFAIRS automatically applies these revenue sources to the Over-Base budget area. The revenue codes include:

**1310** Tuition from Individuals

**1320** Tuition from In-State Schools

**1330** Tuition from Out-of-State Schools

**3117** State Tuition for students placed in a group home, foster care, or by a state agency/court.

### **Levies**

**1110(a)** Mandatory Non-isolated Levy -- This levy applies only to elementary districts with fewer than 10 budget limit ANB (for two or more consecutive years) that do not meet criteria for isolation status - Matches the amount from the General Fund Limits & Reserves, Line (I-B). *Prefilled by OPI.*

**1110(b)** BASE Levy -- Calculated by MAEFAIRS as follows:  
Adopted BASE budget  
Less: Estimated state revenues  
Less: Unreserved Fund Balance Reappropriated to fund BASE  
Less: Estimated non-levy revenues (except tuition)  
Less: Guaranteed Tax Base Aid

This should be approximately equal to (Taxable Valuation X .001) X BASE Mills.

**1110(c)** Over-BASE Levy -- Calculated by MAEFAIRS as follows:  
Adopted Over-BASE Budget  
Less: Unreserved Fund Balance Reappropriated and Non-Levy Revenue  
(If any is left after funding BASE, resulting in BASE mills = 0)  
Less: Excess Reserves used to fund Over-BASE  
Less: Tuition (estimated revenue for ensuing year)

**1110** District Tax Levy -- Equals the sum of 1110(a), 1110(b) plus 1110(c). *MAEFAIRS calculates*

**0004** Total Estimated Revenues to Fund Adopted Budget -- Equals the sum of Estimated Funding Sources (Lines 0970-3120) plus Actual Non-levy Revenue (Lines 1130-3302) plus Anticipated Non-levy Revenue BASE (Lines 1123-4800), plus Anticipated Non-Levy Revenue Over-BASE (Lines 1310-3117), plus Other

Non-levy Revenue (Lines 1117-9710) plus District Tax levy (Line 1110).  
*MAEFAIRS calculates.*

**0004a** Estimated Revenues Exceeding Adopted Budget -- If the amount of Total Estimated Revenues to Fund the Adopted Budget (0004) exceeds Line 0001-Adopted Budget **AND** Line 1110-District Tax Levy is zero, then Line 0004 is reduced to equal Line 0001 and the excess revenue is reported here. *MAEFAIRS calculates*

**NOTE:** If Estimated Funding Sources (Lines 0970-3120) and revenues [Actual Non-levy Revenue (Lines 1130-3302); Anticipated Non-levy Revenue BASE (Lines 1123-4800); and Anticipated Non-Levy Revenue Over-BASE (Lines 1310-3117) and Other Non-levy Revenue (Lines 1117-9710)] do not exceed Line 0001-Adopted Budget, this line will be zero.

See the 'Checklist for Final Budget Report'.



## **BUDGET INSTRUCTIONS**

### **Transportation Fund (Fund 10)**

#### **Transportation Schedule Data Reimbursements**

**General Information:** This fund may budget the 'On-Schedule' costs of bus routes and individual contracts and any 'Over-Schedule' amounts of operating the transportation program. 'On-Schedule' costs are amounts reimbursable by the state and county twice a year in March and June. The state and county each pay up to 50% of 'On-Schedule' costs. 'Over-Schedule' costs are a district responsibility. A reserve of up to 20% of the ensuing fiscal year's budget is authorized. The unreserved fund balance for reappropriation and other estimated revenues must be used first to lower the district levy. Remaining amounts must be used next to lower the county's share of 'On-Schedule' funding. Lastly, the remainder is used to lower the state's share of 'On-Schedule' funding.

Contingency items of 10% or \$100, whichever is greater, may be budgeted. If \$100 is greater than 10%, total regular contingency plus special education contingency cannot exceed \$100. On-Schedule funding for the contingency budget can be paid only if additional contracts, bus routes, or bus route extensions are established after the budget is set for students who become eligible transportees after the beginning of the year. Adopt a budget that adds the contingency amount to the amount needed to run the transportation program.

Total days reimbursed cannot exceed 180 for the year. Only routes approved by the county transportation committee will be reimbursed. Summer routes are not reimbursed.

State funding is paid based on semi-annual claims to OPI. The state will pay the lesser of Line 3210-State On-Schedule Transportation Reimbursement or 1/2 of the adopted fund budget or 1/2 of the actual claims submitted.

**0001** Adopted Budget -- Enter the amount of the Transportation Fund (Fund 10) budget adopted by the Board of Trustees for the ensuing year. Be sure to adopt a budget that allows for contingency.

Example of budgeting to include contingency: Need \$15,000 to fund expenditures for transporting students. Estimated On-Schedule is \$8500, and the remainder will come from local levies and non-levy revenue. The district can budget a contingency amount of 10%, or  $\$8500 \times 0.10 = \$850$ . Add the contingency to the spending estimate to calculate the budget:  $\$15,000 + \$850 = \$15,850 = \text{Adopted Budget}$ .

**Budget Uses:** The sum of Line 0002-Expenditure Budget and Line 0003-Add to Fund Balance must equal Line 0001-Adopted Budget.

**0002** Expenditure Budget -- This field will equal Line 0001-Adopted Budget, unless an amount is entered on Line 0003-Add to Fund Balance. *MAEFAIRS calculates.*

**0003** Add to Fund Balance -- (RARE) If the district plans to spend LESS than the adopted budget (i.e., to increase reserves, eliminate a negative fund balance, to allow for a forecasted shortfall in revenues, etc.), enter the amount of the adopted budget the district plans NOT TO SPEND. If an amount is entered here, Line 0002-Expenditure Budget will be lowered by that amount.

**NOTE:** Entering an amount on Line 0003-Add to Fund Balance does not alter the legally adopted spending limitation, which is the Line 0001-Adopted Budget amount.

### **Transportation Schedule Data**

**0005** On-Schedule -- Enter the sum of estimated individual transportation contract reimbursements (daily contract rates X number of days transported) plus the sum of estimated bus route reimbursements (bus mileage rate X miles X number of days to be transported).

**NOTE:** Total days may not exceed 180 for the year. Summer routes are not reimbursed.

**0006** Contingency -- Enter up to 10% of Line 0005-On-Schedule, or \$100, whichever is more. This amount may be claimed as On-Schedule reimbursement for new contracts and bus route extensions occurring after the budget is adopted.

**0011** Over-Schedule -- The sum of Lines 0005-On-Schedule and Line 0006-Contingency subtracted from Line 0001-Adopted Budget. This is the district's local responsibility. *MAEFAIRS calculates.*

**Fund Balance For Budget:** The sum of 0961-Operating Reserve and 0970-Unreserved Fund Balance Reappropriated. Must equal TFS48.

**TFS48** The amount of the Transportation Fund balance from Line 48-Fund Balance for Budget (961-970) of the Balance Sheet of the accompanying Trustees' Financial Summary, unless that amount is negative. If Line 48 on the Balance Sheet is negative, zero is reported. *MAEFAIRS Calculates.*

**0961** Operating Reserve -- Designate the amount of fund balance reserved for operations, up to 20% of the adopted transportation fund budget on Line 0001-Adopted Budget.

**0970** Unreserved Fund Balance Reappropriated -- The amount of fund balance reappropriated to fund the ensuing year's budget. Equals Line TFS48 minus

Fund Balance for Budget (961-970) minus Line 0961-Operating Reserve.  
*MAEFAIRS calculates.*

**Estimated Funding Sources** (Lines 1123-9710) -- Enter the amount estimated to be received from each revenue source listed.

**3444** State School Block Grant (SB424) -- For FY11 use FY10 actual receipts times 1.0076. In each succeeding fiscal year use the prior year times 1.0076. *Prefilled by OPI.*

**3445** State Combined Fund School Block Grant (SB424) -- The district must enter some or all of the State Combined Fund School Block Grant in one or more budgeted funds. However, the total amount shown as State Combined Fund School Block Grant on the Prefilled Data Verification report (TFS Step 1) must equal the sum of all 3445 revenue code estimates in all budgeted funds.

**9100** Other Revenue -- Used to anticipate revenue types that do not fit an anticipated revenue source shown on the list;

**AND**

**9710** Residual Equity Transfers In -- Used to anticipate the receipt of a transfer from the closure of another fund or closure/annexation of a district.

### **Reimbursements**

The state and county reimbursements are each half of the On-Schedule amount ('Preliminary' below), except that any amount of unreserved fund balance reappropriated and non-levy revenue that is left after lowering district levies to zero would be used to lower the half of On-Schedule to be paid by the county. If the county's portion is lowered to zero, any remaining amount available would be used to lower the state portion.

*MAEFAIRS calculates* the Preliminary State and County Reimbursement as follows:

Preliminary County Reimbursement = 50% of the sum of Lines 0005 and 0006 = \$ \_\_\_\_\_  
Preliminary State Reimbursement = 50% of the sum of Lines 0005 through 0006 = \$ \_\_\_\_\_

**2220** County On-Schedule Transportation Reimbursement. *MAEFAIRS calculates*

-- If Unreserved Fund Balance Reappropriated (Line 0970) plus Estimated Funding Sources (Lines 1123-9710) minus Over-Schedule (Line 0011) is **positive**, then the County On-Schedule Transportation Reimbursement will equal Preliminary County Reimbursement minus Line 0970-Unreserved Fund Balance Reappropriated minus Estimated Funding Sources (Lines 1123-9710) plus Line 0011-Over-Schedule. If the result is less than zero, zero is shown.

-- If Unreserved Fund Balance Reappropriated (Line 0970) plus estimated funding sources (Lines 1123-9710) minus Over-Schedule (Line 0011) is less than or

equal to zero, then the County On-Schedule Transportation Reimbursement will equal the Preliminary County Reimbursement.

**3210** State On-Schedule Transportation Reimbursement. *MAEFAIRS calculates*

-- If Unreserved Fund Balance Reappropriated (Line 0970) plus Estimated Funding Sources (Lines 1123-9710) minus Over-Schedule (Line 0011) minus Preliminary County Reimbursement is **positive**, then the State On-Schedule Transportation Reimbursement will equal Preliminary State Reimbursement minus Unreserved Fund Balance Reappropriated (Line 0970) minus Estimated Funding Sources (Lines 1123-9710) plus Over-Schedule (Line 0011) plus Preliminary County Reimbursement. If less than zero, zero is shown.

-- If Unreserved Fund Balance Reappropriated (Line 0970) plus Estimated Funding Sources (Lines 1123-9710) minus Over-Schedule (Line 0011) minus Calculated County Reimbursement is **negative**, then the State On-Schedule Transportation Reimbursement will equal the Preliminary State Reimbursement.

**1110** District Tax Levy -- *MAEFAIRS calculates* the District Tax Levy requirement as follows: Line 0001-Adopted Budget minus Line 0970-Unreserved Fund Balance Reappropriated minus Line 2220-County On-Schedule Transportation Reimbursement minus Line 3210-State On-Schedule Transportation Reimbursement minus Estimated Funding Sources (Lines 1123-9710). If less than zero, zero is shown.

**999** District Mills -- Line 1110-District Tax Levy requirement divided by (Taxable Valuation times 0.001), rounded to nearest XX.XX. *MAEFAIRS calculates*

**0004** Total Estimated Revenues to Fund Adopted Budget -- The sum of Unreserved Fund Balance Reappropriated (Line 0970) plus Estimated Funding Sources (Lines 1123-9710) plus Reimbursements (Lines 2220 and 3210) plus District Tax Levy (Line 1110). *MAEFAIRS calculates*

**0004a** Estimated Revenues Exceeding Adopted Budget -- If the amount of total estimated revenues to fund the adopted budget exceeds Line 0001-Adopted Budget **AND** Line 1110-District Tax Levy, Line 2220-County On-Schedule Transportation Reimbursement and Line 3210-State On-Schedule Transportation Reimbursement are all zero, then the amount of Line 0004-Total Estimated Revenues to Fund Adopted Budget is reduced to equal Line 0001-Adopted Budget and the excess revenue is reported on Line 0004a. If revenues do not exceed Line 0001-Adopted Budget, this line will equal zero. *MAEFAIRS calculates*

**NOTE:**Line 1110-District Tax Levy, Line 2220-County On-Schedule Transportation

Reimbursement, and Line 3210-State On-Schedule Transportation  
Reimbursement must all be zero before an amount can appear on Line 0004a-  
Estimated Revenues Exceeding Adopted Budget.

See the 'Checklist for Final Budget Report'.

## **BUDGET INSTRUCTIONS**

### **Bus Depreciation Fund (Fund 11)**

**General Information:** This fund is used to levy for the accumulation of resources to fund the following allowable uses: 1) Replace, remodel or convert yellow school buses and activities/athletics buses owned by the district; 2) Replace two-way radios used in the transportation program; 3) Purchase additional yellow school buses to be used on bus routes; and 4) Purchase and install video cameras for security on buses. Buses owned by the school and operated for routes or athletics/activities may be 'depreciated.'

The fund may levy up to 20% of each asset's original cost each year and up to 150% of the asset's cost over the years depreciated. There is no limit on the number of year's used to depreciate the asset 150%, but 8 (7.5) years is a minimum.

The levy requirement may be, but is not required to be, lowered using estimated revenues.

Generally, the budget should include the balance accumulated in the fund, plus amounts estimated to be levied and received in the budget year.

District options are to levy up to the total 'Levy amount' up to the '20% Limit' or use estimated non-levy revenues to lower the amount of the tax levy.

-- Use non-levy revenue to reduce the levy amount -- the adopted budget equals the total 'Levy amount' LESS the estimated non-levy revenues plus Line 0970-Unreserved Fund Balance Reappropriated.

**NOTE:** This option applies the collection of non-levy revenues to REDUCE the District Tax Levy. Estimates under 9100 Other Revenues and 9710 Residual Equity Transfer In are always used to add to budget authority even if this option is selected.

-- Use non-levy revenue to add budget authority and not reduce the levy amount -- the adopted budget will include the total 'Levy Amount' PLUS the estimated non-levy revenues plus Line 0970-Unreserved Fund Balance Reappropriated.

**NOTE:** This option applies the total 'Levy Amount' from the 'Asset Information' toward the District Tax Levy.

**0001** Adopted Budget -- The amount of the Bus Depreciation Fund (Fund 11) budget adopted by the Board of Trustees. *MAEFAIRS calculates*

The adopted budget equals the sum of:

- a) Total 'Levy amount' from the 'Asset Information' list
- b) Line 0970-Unreserved Fund Balance Reappropriated

- c) Line 9100-Other Revenue
- d) Line 9710-Residual Equity Transfers In [i.e., planned transfers-in from other budgeted funds]

**AND**

If you checked 'Use non-levy revenue to add budget authority and not reduce the levy amount'

- e) Estimated Funding Sources (Lines 1123-3460).

If you checked 'Use non-levy revenue to reduce the levy amount,' the Estimated Funding Sources (Lines 1123-3460) will be used to replace and lower the amount the district will otherwise levy to cover the total 'Levy amount' from the Asset Information list.

**0002** Expenditure Budget -- This field will equal Line 0001-Adopted Budget, unless an amount is entered on Line 0003-Add to Fund Balance. *MAEFAIRS calculates*

**NOTE:** Entering an amount on Line 0003-Add to Fund Balance does not alter the legally adopted spending limitation, which is the Line 0001-Adopted Budget amount.

**0003** Add to Fund Balance -- (RARE) If the district plans to spend LESS than the adopted budget (i.e., to increase reserves, eliminate a negative fund balance, to allow for a forecasted shortfall in revenues, etc.), enter the amount of the adopted budget the district plans NOT TO SPEND. If an amount is entered here, Line 0002-Expenditure Budget will be lowered by that amount.

**Budget Uses** -- The sum of Line 0002-Expenditure Budget and Line 0003-Add to Fund Balance. Must equal Line 0001-Adopted Budget.

**0961** Operating Reserve -- Designate the amount of any fund balance reserved for operations. There is no legal percentage limit on this reserve, but the district can only reserve an amount up to the fund balance on TFS48. Usually, districts enter zero here and reappropriate the entire fund balance on Line 0970.

**0970** Unreserved Fund Balance Reappropriated -- The amount of fund balance reappropriated to fund the ensuing year's budget. The amount reported here equals Line TFS48 minus Line 0961. OPI recommends reappropriating total fund balance so it will be in the budget in case the district needs to replace a bus. *MAEFAIRS calculates*

**Fund Balance For Budget** -- The sum of 0961-Operating Reserve and 0970-Unreserved Fund Balance Reappropriated. Must equal TFS48.

**TFS48** The amount of the Bus Depreciation Fund balance from Line 48 -- Fund Balance for Budget (961-970) of the Balance Sheet of the accompanying Trustees' Financial Summary, unless that amount is negative. If Line 48 on the Balance Sheet is negative, zero is reported. *MAEFAIRS calculates*

**Estimated Funding Sources (Lines 1123-9710)** -- Enter the amount estimated to be received from each revenue source listed.

**3445** State Combined Fund School Block Grant (SB424) -- The district must enter some or all of the State Combined Fund School Block Grant in one or more budgeted funds. However, the total amount shown as State Combined Fund School Block Grant on the Prefilled Data Verification report (TFS Step 1) must equal the sum of all 3445 revenue code estimates in all budgeted funds.

**9100** Other Revenue -- Used to anticipate revenue types that do not fit an anticipated revenue source shown on the list;

**AND**

**9710** Residual Equity Transfers In -- Used to anticipate the receipt of a transfer from the closure of another fund; closure of a district; or annexation of a district.

**1110** District Tax Levy --Refer to the 'Asset Information' list previously completed.  
*MAEFAIRS calculates*

-- If you checked 'Use non-levy revenue to add budget authority and not reduce the levy amount', then the District Tax Levy is the total 'Levy Amount' from the 'Asset Information' list.

-- If you checked 'Use non-levy revenue to reduce the levy amount', then the District Tax Levy is the total 'Levy amount' from the 'Asset Information' list MINUS the total of Lines 1123-3460.

**999** District Mills -- Line1110-District Tax Levy requirement divided by (Taxable Valuation times 0.001), rounded to nearest XX.XX. *MAEFAIRS calculates*

**0004** Total Estimated Revenues To Fund Adopted Budget -- The sum of Line 0970-Unreserved Fund Balance Reappropriated plus Estimated Funding Sources (Lines 1123-9710) plus Line 1110-District Tax Levy. *MAEFAIRS calculates*



## **BUDGET INSTRUCTIONS**

### **Tuition Fund (Fund 13)**

**General Information:** This fund is used to pay tuition costs. The tuition fund does not have a reserve. The budget should include tuition the district must pay during the ensuing year for resident students who attended in other school districts the prior school year or for resident students enrolled in a day-treatment program under an approved individualize education program at a private, non-sectarian school located in or outside the student's resident district.

**0001** Adopted Budget -- Enter the amount of the Tuition Fund (Fund 13) budget adopted by the Board of Trustees. The adopted budget should be the total amount needed to pay tuition in the budget year, based on approved attendance agreements for attendance in the previous school year. (i.e., Tuition for attendance during school year 2009-10 should be budgeted and paid during FY 2010-11.)

**0002** Expenditure Budget -- This field will equal Line 0001-Adopted Budget, unless an amount is entered on Line 0003-Add to Fund Balance.

**NOTE:** Entering an amount on Line 0003-Add to Fund Balance does not alter the legally adopted spending limitation, which is the Line 0001-Adopted Budget amount.

**0003** Add to Fund Balance -- (RARE) If the district plans to spend LESS than the adopted budget (i.e., to increase reserves, eliminate a negative fund balance, to allow for a forecasted shortfall in revenues, etc.), enter the amount of the adopted budget the district plans NOT TO SPEND. If an amount is entered here, Line 0002-Expenditure Budget will be lowered by that amount.

**Budget Uses** -- The sum of Line 0002-Expenditure Budget and Line 0003-Add to Fund Balance must equal Line 0001-Adopted Budget.

**0970** Unreserved Fund Balance Reappropriated -- The amount from Line TFS48.

**TFS48** The amount of the Tuition Fund balance from Line 48-Fund Balance for Budget (961-970) of the Balance Sheet of the accompanying Trustees' Financial Summary, unless that amount is negative. If Line 48 on the Balance Sheet is negative, zero is reported. *MAEFAIRS calculates*

**Estimated Funding Sources (Lines 1123-9710)** -- Enter the amount estimated to be received from each revenue source listed.

**3110** Direct State Aid -- Estimate if the district will receive Direct State Aid to reimburse tuition paid to a public school out of state or to a private, non-sectarian school.

**3445** State Combined Fund School Block Grant (SB424) – The district must enter some or all of the State Combined Fund School Block Grant in one or more budgeted funds. However, the total amount shown as State Combined Fund School Block Grant on the Prefilled Data Verification report (TFS Step 1) must equal the sum of all 3445 revenue code estimates in all budgeted funds.

**9100** Other Revenue -- Used to anticipate revenue types that do not fit an anticipated revenue source shown on the list;

**AND**

**9710** Residual Equity Transfers In -- Used to anticipate the receipt of a transfer from the closure of another fund; closure of a district; or annexation of a district.

**1110** District Tax Levy – **MAEFAIRS calculates** the District Tax Levy requirement as follows: Line 0001-Adopted Budget minus Line 0970-Unreserved Fund Balance Reappropriated minus Estimated Funding Sources (Lines 1123-9710).

**999** District Mills -- Line 1110-District Tax Levy requirement divided by (Taxable Valuation times 0.001). Rounded to nearest XX.XX. **MAEFAIRS calculates**

**0004** Total Estimated Revenues To Fund Adopted Budget -- The sum of Line 0970-Unreserved Fund Balance Reappropriated plus Estimated Funding Sources (Lines 1123-9710) plus Line 1110-District Tax Levy. **MAEFAIRS calculates**

**0004a** Estimated Revenues Exceeding Adopted Budget -- If the amount of total estimated revenues to fund the adopted budget exceeds Line 0001-Adopted Budget **AND** Line 1110-District Tax Levy is zero, then the amount on Line 0004 is reduced to equal Line 0001. The difference is reported on Line 0004a. This is the amount of revenue that will be raised but is not needed to support the budget. If revenues do not exceed the adopted budget, this line will equal zero.  
**MAEFAIRS calculates**

**NOTE:** Line 1110-District Tax Levy must be zero before an amount can appear on this line.

See the 'Checklist for Final Budget Report'.

## **BUDGET INSTRUCTIONS**

### **Retirement Fund (Fund 14)**

**General Information:** This fund is used to pay the employer contributions to Teachers' Retirement System, Public Employees' Retirement System, unemployment insurance, social security, and Medicare for: 1) a district employee whose salary and health related benefits are paid from state or local sources; 2) a coop employee whose salary and health related benefits are paid from the coop's Interlocal Agreement Fund (Fund 82) if the fund is supported solely from districts' General Funds (Fund 01) and state special education allowable cost payments paid from the miscellaneous programs fund from money received from the Medicaid program; 3) a district employee whose salary and health benefits are paid from school food services and a district employee whose salary and health-related benefits, if any health related benefits are provided to the employee, are paid from the district Impact Aid fund, and 4) in FY2010 and FY2011 only, a district employee whose salary and health related benefits are paid from General Fund State Fiscal Stabilization (GF SFSF) funds provided through the American Recovery and Reinvestment Act. The fund cannot be used to pay 1) retirement incentives; 2) any portion of a retirement fund contribution on behalf of an employee (only the employer's contributions can be paid from the fund); 3) any amount paid to an employee directly (only payments to TRS, PERS, FICA, and unemployment insurance carriers are allowable). It is funded by a countywide retirement levy. An operating reserve of up to 35% of the ensuing year's budget is permitted.

**NOTE:**In 2005 and in each succeeding year, employer contributions to Teachers' Retirement System, Public Employees' Retirement System, unemployment insurance, social security, and Medicare for district employees whose salaries are paid from a federal source cannot be charged to the Retirement Fund.

**0001** Adopted Budget -- Enter the amount of the Retirement Fund (Fund 14) budget adopted by the Board of Trustees. This amount is the estimated payment for the employer's contributions to the Teachers' Retirement System, Public Employees' Retirement System, unemployment insurance, social security, and Medicare for state and locally funded staff, school foods staff, impact aid staff and staff paid with GF SFSF money. The estimate may include amounts for contingency to cover unanticipated obligations that occur after the budget is adopted, such as hiring new employees and aides.

**NOTE:**To recover from a negative balance, add the negative balance to the amount to be adopted as a budget.)

**0002** Expenditure Budget -- This field will equal Line 0001-Adopted Budget, unless an amount is entered on Line 0003-Add to Fund Balance.

**NOTE:**Entering an amount on Line 0003-Add to Fund Balance does not alter the legally

adopted spending limitation, which is the Line 0001-Adopted Budget amount.

**0003** Add to Fund Balance -- (RARE) If the district plans to spend LESS than the adopted budget (i.e., to increase reserves, eliminate a negative fund balance, to allow for a forecasted shortfall in revenues, etc.), enter the amount of the adopted budget the district plans NOT TO SPEND. If an amount is entered here, Line 0002-Expenditure Budget will be lowered by that amount.

**Budget Uses** -- The sum of Line 0002-Expenditure Budget and Line 0003-Add to Fund Balance. Must equal Line 0001-Adopted Budget.

**0961** Operating Reserve -- Designate the amount of fund balance to be reserved for operations, up to 35% of the adopted retirement fund budget on Line 0001.

**0970** Unreserved Fund Balance Reappropriated -- The amount of fund balance reappropriated to fund the ensuing year's budget. Must equal TFS48 minus Line 0961-Operating Reserve. *MAEFAIRS calculates*

**Fund Balance For Budget** -- The sum of 0961-Operating Reserve and 0970-Unreserved Fund Balance Reappropriated. Must equal TFS48.

**TFS48** The amount of the Retirement Fund balance for budget from Line 48-Fund Balance for Budget (961-970) of the Balance Sheet of the accompanying Trustees' Financial Summary, unless that amount is negative. If Line 48 on the Balance Sheet is negative, zero is shown. *MAEFAIRS calculates*

**Estimated Funding Sources (1510-9710)** -- Enter the amount estimated to be received by the district from investment earnings and other sources.

**9100** Other Revenue -- Used to anticipate revenue types that do not fit an anticipated revenue source shown on the list;

**AND**

**9710** Residual Equity Transfers In -- Used to anticipate the receipt of a transfer from the closure of another fund; closure of a district; or annexation of a district.

**2240** County Retirement Distribution -- Line 0001-Adopted Budget minus the sum of Line 0970-Unreserved Fund Balance Reappropriated plus Estimated Funding Sources (Lines 1510-9710). *MAEFAIRS calculates*

**0004** Total Estimated Revenues To Fund Adopted Budget -- The sum of Line 0970-Unreserved Fund Balance Reappropriated plus Estimated Funding Sources (Lines 1510-9710) plus Line 2240-County Retirement Distribution. *MAEFAIRS calculates*

**0004a** Estimated Revenues Exceed Adopted Budget -- If the amount of total estimated revenues to fund the adopted budget exceeds Line 0001-Adopted Budget **AND** Line 2240-County Retirement Distribution is zero, then the amount on Line 0004 is reduced to equal Line 0001. The difference is reported on Line 0004a. This is the amount of revenue that will be raised but is not needed to support the budget. If revenues do not exceed the adopted budget, this line will equal zero.

*MAEFAIRS calculates*

**NOTE:** Line 2240-County Retirement Distribution must be zero before an amount can appear on this line.

See the 'Checklist for Final Budget Report'.

## **BUDGET INSTRUCTIONS**

### **Adult Education Fund (Fund 17)**

#### **General Information:**

Whenever a district operates an adult education program, this fund must be used. Taxes levied for support of the fund and student fees for adult education are deposited in this fund.

The adult education mill levy is not limited. (20-7-705, MCA)

Federal and state money for adult education must be deposited in the Miscellaneous Programs Fund (Fund 15).

**0001** Adopted Budget -- Enter the amount of the Adult Education Fund (Fund 17) budget adopted by the Board of Trustees. The budget should include the total district levies, non-levy revenues, and participant fees.

**0002** Expenditure Budget -- This field will equal Line 0001-Adopted Budget, unless an amount is entered on Line 0003-Add to Fund Balance.

**NOTE:** Entering an amount on Line 0003-Add to Fund Balance does not alter the legally adopted spending limitation, which is the Line 0001-Adopted Budget amount.

**0003** Add to Fund Balance -- (RARE) If the district plans to spend LESS than the adopted budget (i.e., to increase reserves, eliminate a negative fund balance, to allow for a forecasted shortfall in revenues, etc.), enter the amount of the adopted budget the district plans NOT TO SPEND. If an amount is entered here, Line 0002-Expenditure Budget will be lowered by that amount.

**Budget Uses** -- The sum of Line 0002-Expenditure Budget and Line 0003-Add to Fund Balance. Must equal Line 0001-Adopted Budget.

**Fund Balance For Budget** -- The sum of 0961-Operating Reserve and 0970-Unreserved Fund Balance Reappropriated. Must equal TFS48.

**TFS48** The amount of the Adult Education Fund balance from Line 48-Fund Balance for Budget (961-970) of the Balance Sheet of the accompanying Trustees' Financial Summary, unless that amount is negative. If Line 48 on the Balance Sheet is negative, zero is reported. *MAEFAIRS calculates*

**0961** Operating Reserve -- Designate the amount of fund balance reserved for operations, up to 35% of the adopted Adult Education budget on Line 0001.

**0970** Unreserved Fund Balance Reappropriated -- The amount of fund balance reappropriated to fund the ensuing year's budget. Must equal TFS48 less Line 0961-Operating Reserve. *MAEFAIRS calculates*

**Estimated Funding Sources (Lines 1123-9710)** -- Enter the amount estimated to be received from each revenue source listed.

**3445** State Combined Fund School Block Grant (SB424) -- The district must enter some or all of the State Combined Fund School Block Grant in one or more budgeted funds. However, the total amount shown as State Combined Fund School Block Grant on the Prefilled Data Verification report (TFS Step 1) must equal the sum of all 3445 revenue code estimates in all budgeted funds.

**9100** Other Revenue -- Used to anticipate revenue types that do not fit an anticipated revenue source shown on the list;

**AND**

**9710** Residual Equity Transfers In -- Used to anticipate the receipt of a transfer from the closure of another fund; closure of a district; or annexation of a district.

**1110** District Tax Levy -- District Tax Levy requirement: Line 0001-Adopted Budget minus Line 0970-Unreserved Fund Balance Reappropriated minus Estimated Funding Sources (Lines 1123-9710). *MAEFAIRS calculates*

**999** District Mills -- Line 1110-District Tax Levy requirement divided by (Taxable Valuation times 0.001), rounded to nearest XX.XX. *MAEFAIRS calculates*

**0004** Total Estimated Revenues To Fund Adopted Budget -- The sum of Line 0970-Unreserved Fund Balance Reappropriated plus Estimated Funding Sources (Lines 1123-9710) plus Line 1110-District Tax Levy. *MAEFAIRS calculates*

**0004a** Estimated Revenues Exceeding Adopted Budget -- (RARE) If the amount of total estimated revenues to fund the adopted budget exceeds Line 0001-Adopted Budget **AND** Line 1110-District Tax Levy is zero, then the amount on Line 0004 is reduced to equal Line 0001. The difference is reported here. This is the amount of revenue that will be raised but is not needed to support the budget. If revenues do not exceed the adopted budget, this line will equal zero. *MAEFAIRS calculates*

**NOTE:** Line 1110-District Tax Levy must be zero before an amount can appear on this line.

See the 'Checklist for Final Budget Report'.

## **BUDGET INSTRUCTIONS**

### **Non-Operating Fund (Fund 19)**

**General Information:** This fund is used by non-operating districts only. It is used to pay costs of running the school during non-operating status, including any administration, tuition, and transportation costs.

**0001** Adopted Budget -- Enter the amount of the Non-Operating Fund (Fund 19) budget adopted by the Board of Trustees. It should include all costs of administration, tuition, and transportation costs and contingency transportation reimbursement.

**0002** Expenditure Budget -- This field will equal Line 0001-Adopted Budget, unless an amount is entered on Line 0003-Add to Fund Balance.

**NOTE:** Entering an amount on Line 0003-Add to Fund Balance does not alter the legally adopted spending limitation, which is the Line 0001-Adopted Budget amount.

**0003** Add to Fund Balance -- (RARE) If the district plans to spend LESS than the adopted budget (i.e., to increase reserves, eliminate a negative fund balance, to allow for a forecasted shortfall in revenues, etc.), enter the amount of the adopted budget the district plans NOT TO SPEND. If an amount is entered here, Line 0002-Expenditure Budget will be lowered by that amount.

**Budget Uses** -- The sum of Line 0002-Expenditure Budget and Line 0003-Add to Fund Balance. Must equal Line 0001-Adopted Budget.

**0961** Operating Reserve -- Designate the amount of fund balance reserved for operations. In accordance with 20-9-505, MCA, the operating reserve of a non-operating district may not exceed the district's General Fund reserve for the prior school year. After the first year of non-operating status, the operating reserve must be zero.

**0970** Unreserved Fund Balance Reappropriated -- The amount of any fund balance reappropriated to fund the ensuing year's budget. Equals the amount on Line TFS48 minus the amount on Line 0961-Operating Reserve. *MAEFAIRS calculates*

**Fund Balance For Budget** -- The sum of 0961-Operating Reserve and 0970-Unreserved Fund Balance Reappropriated. Must equal TFS48.

**TFS48** The sum of fund balances for all funds from Line 48-Fund Balance for Budget (961-970) of the accompanying Trustees' Financial Summary, unless that sum is negative. If the sum is negative, zero is reported here. *MAEFAIRS calculates*



**EXCEPTION:** If the district has an active debt service fund or miscellaneous programs fund for the ensuing year, the balances of those funds remain in the funds and do not transfer to the non-operating fund.

### **On-Schedule**

Transportation Schedule Data -- For Lines 0005 and 0006, enter the amounts calculated by the county superintendent in accordance with 20-10-141 and 142, MCA.

**0005** On-Schedule -- Enter the sum of anticipated individual transportation contract reimbursements (daily contract rates X # of days to be transported) plus the sum of anticipated bus route reimbursements (bus rate X miles X # of days to be transported). Total days may not exceed 180 for the year.

**0006** Regular Education Contingency -- Up to 10% of Line 0005-On-Schedule, or \$100, whichever is greater. Be sure this amount is included on Line 0001-Adopted Budget.

**0011** Over-Schedule -- The sum of Lines 0005-On-Schedule and Line 0006-Contingency subtracted from Line 0001-Adopted Budget. This is the district's local responsibility. *MAEFAIRS calculates*

**Estimated Funding Sources (Lines 1123-9710)** -- Enter the amount estimated to be received from each revenue source listed.

**3445** State Combined Fund School Block Grant (SB424) -- The district must enter some or all of the State Combined Fund School Block Grant in one or more budgeted funds. However, the total amount shown as State Combined Fund School Block Grant on the Prefilled Data Verification report (TFS Step 1) must equal the sum of all 3445 revenue code estimates in all budgeted funds.

**9100** Other Revenue -- Used to anticipate revenue types that do not fit an anticipated revenue source shown on the;

**AND**

**9710** Residual Equity Transfers In -- Used to anticipate the receipt of a transfer from the closure of another fund; closure of a district; or annexation of a district.

### **Reimbursements**

**2220** County Transportation Reimbursement -- If Line 1110 equals zero, then Line 2220 equals Line 0001 minus Line 0970 minus Estimated Funding Sources (Lines 1123-9710) minus Line 3210. *MAEFAIRS calculates*

- 3210** State Transportation Reimbursement -- If BOTH Line 1110 and Line 2220 equal zero and total revenues exceed the budget, then Line 3210 equals Line 0001 minus Line 0970 minus Estimated Funding Sources (Lines 1123-9710). If amount is negative, then zero is reported. *MAEFAIRS calculates*
- 1110** District Tax Levy -- *MAEFAIRS calculates* the District Tax Levy requirement as follows: Line 0001-Adopted Budget minus Line 0970-Unreserved Fund Balance Reappropriated minus Estimated Funding Sources (Lines 1123-9710) minus Line 2220-County On-Schedule Transportation Reimbursement minus Line 3210-State On-Schedule Transportation Reimbursement.
- 999** District Mills -- Line 1110-District Tax Levy requirement divided by (Taxable Valuation times 0.001), rounded to nearest XX.XX. *MAEFAIRS calculates*
- 0004** Total Estimated Revenues To Fund Adopted Budget -- The sum of Line 0970-Unreserved Fund Balance Reappropriated plus Estimated Funding Sources (Lines 1123-9710) plus Reimbursements (Lines 2220 and 3210) plus Line 1110-District Tax Levy. *MAEFAIRS calculates*
- 0004a** Estimated Revenues Exceeding Adopted Budget -- (RARE) If the amount of total estimated revenues to fund the adopted budget exceeds Line 0001-Adopted Budget **AND** Line 1110-District Tax Levy is zero, then the amount on Line 0004 is reduced to equal Line 0001. The difference is reported here. This is the amount of revenue that will be raised but is not needed to support the budget. If revenues do not exceed the adopted budget, this line will equal zero. *MAEFAIRS calculates*

**NOTE:** Line 1110-District Tax Levy must be zero before an amount can appear on this line.

See the 'Checklist for Final Budget Report'.

## **BUDGET INSTRUCTIONS**

### **Technology Acquisition and Depreciation (Fund 28)**

**General Information:** This fund is used for the purchase, rental, repair, and maintenance of technology equipment and computer network access. It can be funded by a levy of up to 20% of the cost of computer equipment and computer network access, not to exceed 150% of the cost over time. The fund may also be used for state, federal and private grants and donations received for technology.

Generally, a district will adopt a budget that includes:

- 1) The estimated State Technology Grant;
- 2) Any fund balance reappropriated that will be spent in the budget year;
- 3) The amount of taxes to be levied for the ensuing year (subject to voter approval), net of any estimated non-levy revenues used in place of levies (optional);
- 4) Estimated non-levy revenues that will be spent, rather than be used to lower the amount levied;
- 5) State, Federal, and private grants or donations that will be spent in the budget year.

The amount levied in a year is limited to 20% of the cost of computer equipment and computer network access, up to 150% of the cost over time. Any increase in taxes from the previous year is subject to voter approval.

In MAEFAIRS, on the Levy Tab, select option regarding whether an election approved a levy amount.

- No -- No election was held and Line 1110-District Tax Levy equals zero because no levy was approved. No entry can be made on Line 1110 in MAEFAIRS.
- Yes -- An election was held and a levy passed. Line 1110-District Tax Levy equals an amount up to the amount approved on the ballot. Non-levy revenues (Lines 1123-3460) can be used to lower the amount of the tax levy.

#### **0001** Adopted Budget – *MAEFAIRS calculates*

The adopted budget equals the sum of:

- a) Estimated Funding Sources (Lines 1123-3460)
- b) Line 0970-Unreserved Fund Balance Reappropriated
- c) Line 9100-Other Revenue
- d) Line 9710-Residual Equity Transfers In [i.e., planned transfers-in from other budgeted funds]

**AND**

If you checked 'Yes' that you did have an election,

e) Line 1110-District Tax Levy

If you checked 'No' you did not have an election, no district tax levy applies to the adopted budget.

**0002** Expenditure Budget -- This field will equal Line 0001-Adopted Budget, unless an amount is entered on Line 0003-Add to Fund Balance.

**NOTE:** Entering an amount on Line 0003-Add to Fund Balance does not alter the legally adopted spending limitation, which is the Line 0001-Adopted Budget amount.

**0003** Add to Fund Balance -- (RARE) If the district plans to spend LESS than the adopted budget (i.e., to increase reserves, eliminate a negative fund balance, to allow for a forecasted shortfall in revenues, etc.), enter the amount of the adopted budget the district plans NOT TO SPEND. If an amount is entered here, Line 0002-Expenditure Budget will be lowered by that amount.

**Budget Uses** -- The sum of Line 0002-Expenditure Budget and Line 0003-Add to Fund Balance. Must equal Line 0001-Adopted Budget.

**0961** Operating Reserve -- Enter an amount from zero (to budget to spend entire fund balance) up to the amount of Line TFS48 (to budget to spend only a portion of the fund balance).

**0970** Unreserved Fund Balance Reappropriated -- The amount of Line TFS48 minus 0961. This is the amount to be spent, if needed, in the budget year. *MAEFAIRS calculates*

**Fund Balance For Budget** -- The sum of 0961-Operating Reserve and 0970-Unreserved Fund Balance Reappropriated. Must equal TFS48.

**TFS48** The amount of the Technology Fund balance from Line 48-Fund Balance for Budget (961-970) of the Balance Sheet of the accompanying Trustees' Financial Summary, unless that amount is negative. If Line 48 on the Balance Sheet is negative, zero is reported. *MAEFAIRS calculates*

**Estimated Funding Sources (Lines 1123-9710)** -- Enter the amount estimated to be received from each revenue source listed.

**3445** State Combined Fund School Block Grant (SB424) -- The district must enter some or all of the State Combined Fund School Block Grant in one or more budgeted funds. However, the total amount shown as State Combined Fund School Block Grant on the Prefilled Data Verification report (TFS Step 1) must equal the sum of all 3445 revenue code estimates in all budgeted funds.

**9100** Other Revenue -- Used to anticipate grants and other revenue types that do not apply to the Estimated Funding Sources as shown on the list;

**AND**

**9710** Residual Equity Transfers In -- Used to anticipate the receipt of a transfer from the closure of another fund; closure of a district; or annexation of a district.

**1110** District Tax Levy -- Enter the amount of the intended tax levy. The district should keep documents that verify:

- 1) The amount of taxes to be levied is not greater than 20% of the cost of the computer equipment and network access being 'depreciated', up to 150% over time;

**AND**

- 2) Voter approval has been obtained, as necessary, under MCA 20-9-533.

**999** District Mills -- Line 1110-District Tax Levy requirement divided by (Taxable Valuation times 0.001) as approved by DOR, rounded to nearest XX.XX.

*MAEFAIRS calculates*

**0004** Total Estimated Revenues To Fund Adopted Budget -- The sum of Line 0970-Unreserved Fund Balance Reappropriated plus Estimated Funding Sources (Lines 1123-9710) plus Line 1110-District Tax Levy. *MAEFAIRS calculates*

**0004a** Estimated Revenues Exceeding Adopted Budget -- If the amount of total estimated revenues to fund the adopted budget exceeds Line 0001-Adopted Budget **AND** Line 1110-District Tax Levy is zero, then the amount on Line 0004 is reduced to equal Line 0001. The difference is reported on Line 0004a. This is the amount of revenue that will be raised but is not needed to support the budget. If revenues do not exceed the adopted budget, this line will equal zero.

*MAEFAIRS calculates*

**NOTE:** Line 1110-District Tax Levy must be zero before an amount can appear on this line.

See the 'Checklist for Final Budget Report'.

## **BUDGET INSTRUCTIONS**

### **Flexibility Fund (Fund 29)**

General Information: This fund can be used as specified in MCA 20-9-543. It is funded by the State Flexibility Payment (revenue source 3282), an optional, annual, voted levy of up to 25% of the estimated State Flexibility Payment, and non-levy revenues. Non-levy revenues will probably be interest and, if the district chooses, State Combined Block Grant monies. In future years, any non-levy revenues that are distributed based on prior year mills will be deposited in the Flexibility Fund relative to the number of mills levied in the fund.

Generally, a district will adopt a budget that includes:

- 1) The estimated State Flexibility Payment - ***no appropriation for FY11***;
- 2) Levy amount approved by voters (up to 25% of the estimated state payment) – ***no levy allowed for FY11***;
- 3) Estimated interest and any other non-levy revenues.

#### **0001 Adopted Budget -- *MAEFARS calculates***

The adopted budget equals the sum of:

- a) Line 3282-State Flexibility Payment (estimate) – ***no appropriation for FY11***
- b) Lines 1123-3460-Estimated Funding Sources
- c) Line 0970-Unreserved Fund Balance Reappropriated
- d) Line 9100-Other Revenue
- e) Line 9710-Residual Equity Transfers In [i.e., planned transfers-in from other budgeted funds]

#### **0002 Expenditure Budget -- This field will equal Line 0001-Adopted Budget, unless an amount is entered on Line 0003-Add to Fund Balance.**

**NOTE:**Entering an amount on Line 0003-Add to Fund Balance does not alter the legally adopted spending limitation, which is the Line 0001-Adopted Budget amount.

#### **0003 Add to Fund Balance -- (RARE) If the district plans to spend LESS than the adopted budget (i.e., to increase reserves, eliminate a negative fund balance, to allow for a forecasted shortfall in revenues, etc.), enter the amount of the adopted budget the district plans NOT TO SPEND. If an amount is entered here, Line 0002-Expenditure Budget will be lowered by that amount.**

**Budget Uses** -- The sum of Line 0002-Expenditure Budget and Line 0003-Add to Fund Balance. Must equal Line 0001 of the Adopted Budget.

**0961** Operating Reserve -- Enter an amount from zero (to budget to spend entire fund balance) up to the amount of Line TFS48 (to budget to spend only a portion of the fund balance).

**0970** Unreserved Fund Balance Reappropriated -- The amount of Line TFS48 minus 0961. This is the amount to be spent, if needed, in the budget year.

**Fund Balance For Budget** -- The sum of 0961-Operating Reserve and 0970-Unreserved Fund Balance Reappropriated. Must equal TFS48.

**TFS48** The amount of the Flexibility Fund balance from Line 48-Fund Balance for Budget (961-970) of the Balance Sheet of the accompanying Trustees' Financial Summary, unless that amount is negative. If Line 48 on the Balance Sheet is negative, zero is reported. *MAEFAIRS calculates*

**Estimated Funding Sources (Lines 1123-9710)** -- Enter the amount estimated to be received from each revenue source listed.

**3445** State Combined Fund School Block Grant -- The district must enter some or all of the State Combined Fund School Block Grant in one or more budgeted funds. However, the total amount shown as State Combined Fund School Block Grant on the Prefilled Data Verification report (TFS Step 1) must equal the sum of all 3445 revenue code estimates in all budgeted funds.

**9100** Other Revenue -- Used to anticipate GRANTS and other revenue types that do not fit an anticipated revenue source shown on the list;

**AND**

**9710** Residual Equity Transfers In -- Used to anticipate the receipt of a transfer from the closure of another fund; closure of a district; or annexation of a district.

**0004** Total Estimated Revenues To Fund Adopted Budget -- The sum of Line 0970-Unreserved Fund Balance Reappropriated plus Estimated Funding Sources (Lines 1123-9710) plus Line 1110-District Tax Levy. *MAEFAIRS calculates*

**0004a** Estimated Revenues Exceeding Adopted Budget -- If the amount of total estimated revenues to fund the adopted budget exceeds Line 0001-Adopted Budget **AND** Line 1110-District Tax Levy is zero, then the amount on Line 0004 is reduced to equal Line 0001. The difference is reported on Line 0004a. This is the amount of revenue that will be raised but is not needed to support the budget. If revenues do not exceed the adopted budget, this line will equal zero.  
*MAEFAIRS calculates*

**NOTE:** Line 1110-District Tax Levy must be zero before an amount can appear on this line.

See the 'Checklist for Final Budget Report'.



## **BUDGET INSTRUCTIONS**

### **Debt Service Fund (Fund 50)**

**General Information:** This fund is used to pay debt service payments for principal and interest on bonds or Special Improvement Districts, (SIDs, RIDs). The expenditure budget of the fund should include both the principal and interest payments due on bonds for each fiscal year of the bond term. OPI recommends a district budget and pay the obligations due 1/1 and 7/1 in each budget year. (i.e., Payments due 1/1/11 and 7/1/11 should be budgeted and paid in FY2010-11. In other words, if a payment is due 7/1/10, OPI recommends including this payment in the budget of the year just ending 6/30/10.)

If a negative fund balance exists because of debt obligations paid or revenue shortfalls incurred in previous years, the negative balance may be added to the budget for the ensuing year by entering the amount under 'Add to Fund Balance line 0003, Debt Service Fund Budget Report.' A reserve approximating the payments due between 7/1 and 11/30 of the ensuing year are allowed pursuant to MCA, 20-9-438. OPI recommends payments between 7/1 and 7/15 be included in the ensuing year's budget. Other available fund balance must be reappropriated to fund the budget.

### **Taxable Valuation**

The taxable valuation of the territory ('Taxing Jurisdiction') to which the bonded indebtedness applies. The jurisdiction's taxable valuation entered here may be different than the taxable valuation of the district.

**0001** Adopted Budget -- The Adopted Budget is calculated by MAEFAIRS. The Budget Report includes the sum of all obligations for bond payments (principal, interest, and agent fees) and SIDs/RIDs plus the amount needed to eliminate a deficit fund balance as entered on Line 0003-Add to Fund Balance.

**0002** Expenditure Budget -- The amount of planned expenditures. Must equal the totals for Bond Issues and SIDs/RIDs as listed for this taxing jurisdiction, on the bottom of the page. *MAEFAIRS calculates*

**0003** Add to Fund Balance -- Enter the amount of additions to fund balance to eliminate a negative fund balance or to add to reserves.

**Budget Uses** -- The sum of Line 0002-Expenditure Budget plus Line 0003-Add to Fund Balance. Must equal Line 0001-Adopted Budget.

**0961** Operating Reserve -- Designate the amount of fund balance reserved for operations for debt service obligations of this taxing jurisdiction. In accordance with 20-9-438(3), MCA, the trustees may designate a limited operating reserve for the purpose of paying warrants and bond obligations that must be paid from July 1 through November 30 during the ensuing fiscal year.

**0970** Unreserved Fund Balance Reappropriated -- The amount of fund balance reappropriated for funding the ensuing year's budget for this taxing jurisdiction.

**Fund Balance For Budget** -- The sum of 0961-Operating Reserve and 0970-Unreserved Fund Balance Reappropriated FOR ALL the TAXING JURISDICTIONS; must equal TFS48 on TFS Report.

**TFS48** The amount of the Debt Service Fund balance from Line 48-Fund Balance for Budget (961-970) of the Balance Sheet of the accompanying Trustees' Financial Summary, EVEN IF the balance is negative. This amount is the fund balance associated with this taxing jurisdiction. *MAEFAIRS calculates*

**Estimated Funding Sources (1123-9710)** -- Enter the amount estimated to be received from each revenue source listed for this taxing jurisdiction.

**3445** State Combined Fund School Block Grant (3445) -- The district must enter some or all of the State Combined Fund School Block Grant in one or more budgeted funds. However, the total amount shown as State Combined Fund School Block Grant on the Prefilled Data Verification Report (TFS Step 1) must equal the sum of all 3445 revenue code estimates in all budgeted funds.

**9100** Other Revenue -- Used to anticipate revenue types that do not fit the Estimated Funding Sources as listed on the Budget Report.

State Facilities Acquisition Advance Payment (not reimbursement): Districts that receive a State Facilities Acquisition Advance Payment in the first year of the bond obligation should include the anticipated advance amount on Line 9100-Other Revenue.

**9710** Residual Equity Transfers In -- Anticipated transfer from the closure of another fund or impact aid revenue per MCA 20-9-437.

**1110** District Tax Levy -- The District Tax Levy requirement: Line 0001-Adopted Budget minus Line 0970-Unreserved Fund Balance Reappropriated minus Estimated Funding Sources (Lines 1123-9710).

**999** Jurisdiction Mills -- This taxing jurisdiction's tax levy requirement on Line 1110-District Tax Levy divided by (this jurisdiction's Taxable Valuation times 0.001). This jurisdiction's Taxable Valuation is the amount listed on the top of the Debt Service Fund Budget Report. Rounded to nearest XX.XX. *MAEFAIRS calculates*

**0004** Total Estimated Revenues To Fund Adopted Budget -- The sum of Line 0970-Unreserved Fund Balance Reappropriated plus Estimated Funding Sources (Lines 1123-9710) plus Line 1110-District Tax Levy.

**0004a** Estimated Revenue Exceeding Adopted Budget -- If the amount of Total Estimated Revenues to Fund Adopted Budget exceeds Line 0001-Adopted Budget **AND** Line 1110-District Tax Levy is zero, then the amount on Line 0004 is reduced to equal Line 0001. The difference is reported here. This is the amount of revenue that will be raised but is not needed to support the budget. If revenues do not exceed the adopted budget, this line will equal zero.  
*MAEFAIRS calculates*

**NOTE:** Line 1110-District Tax Levy must be zero before an amount can appear on this line.

See the 'Checklist for Final Budget Report'.

## **BUDGET INSTRUCTIONS**

### **Building Reserve Fund (Fund 61)**

**General Information:** This fund accumulates funding for future construction, and equipping or enlarging of school buildings, or for the purpose of purchasing land needed for school purposes, on authority of a voted levy. The fund can also be used to levy for transitional costs associated with opening, closing, or building a school. (MCA, 20-9-502)

A building reserve tax authorization may not exceed twenty (20) years. For transition costs, the authorization may not exceed six (6) years.

Generally, a district budgets one of two ways:

- 1) Adopted Budget includes the accumulated fund balance plus any amount levied for the ensuing year, plus any estimated non-levy revenues. The total fund balance is then reappropriated to fund the budget;  
**OR**
- 2) Adopted Budget includes only the amount of the authorized levy. The accumulated fund balance is placed on Line 0961-Operating Reserve. No fund balance is reappropriated. The estimated non-levy revenues may or may not be used to lower the levy.

The amount levied in a year is limited to the total authorized by the vote, divided by the number of years authorized. The levy may be reduced, but is not required to be reduced, by estimated non-levy revenues.

District options are to levy the total 'Levy Amount' up to the 'Maximum Levy' or use estimated non-levy revenues (Lines 1123-3460) to lower the amount of the District Tax Levy.

- 1 -- Use non-levy revenue to reduce the levy amount -- the adopted budget equals the total 'Levy Amount' LESS the estimated non-levy revenues (Lines 1123-3460) plus Line 0970-Unreserved Fund Balance Reappropriated. Levy authority is lost.

**NOTE:** This option applies the collection of non-levy revenues to REDUCE the 'Levy Amount' from the 'Voted Reserve Authorities' list toward the 'Maximum Levy'.

- 2 -- Use non-levy revenue to add budget authority and not reduce the levy amount -- the Adopted Budget will include the total 'Levy Amount' PLUS the estimated non-levy revenues (Lines 1123-3460) plus Line 0970-Unreserved Fund Balance Reappropriated.

**NOTE:** This option applies ONLY the total 'Levy Amount' from the 'Voted Reserve Authorities' list toward the 'Maximum Levy'.

**NOTE:** Entering a 'Levy Amount' less than 'Maximum Levy' lowers the amount authorized for the budget year, i.e., levy authority is lost.

**0001** Adopted Budget -- The amount of the Building Reserve Fund (Fund 61) budget adopted by the Board of Trustees. *MAEFAIRS calculates*

The adopted budget equals the sum of:

- a) Total 'Levy Amount' from the 'Voted Reserve Authorities' list
- b) Line 0970-Unreserved Fund Balance Reappropriated
- c) Line 9100-Other Revenue
- d) Line 9710-Residual Equity Transfers In [i.e., planned transfers-in from other budgeted funds]

**AND**

If you checked 'Use non-levy revenue to add budget authority and not reduce the levy amount'

- e) Estimated Funding Sources (Lines 1123-3460).

If you checked yes, 'Use Estimated Non-Levy Revenue to Lower Levies,' the Estimated Funding Sources (Lines 1123-9710) will be used to replace and lower the amount the district would otherwise levy to cover the total 'Levy Amount' from the 'Voted Reserve Authorities' list and levy authority is lost.

**0002** Expenditure Budget -- This field will equal Line 0001-Adopted Budget, unless an amount is entered on Line 0003-Add to Fund Balance.

**NOTE:** Entering an amount on Line 0003-Add to Fund Balance does not alter the legally adopted spending limitation, which is the Line 0001-Adopted Budget amount.

**0003** Add to Fund Balance -- (RARE) If the district plans to spend LESS than the adopted budget (i.e., to increase reserves, eliminate a negative fund balance, to allow for a forecasted shortfall in revenues, etc.), enter the amount of the adopted budget the district plans NOT TO SPEND. If an amount is entered here, Line 0002-Expenditure Budget will be lowered by that amount.

**Budget Uses** -- The sum of Line 0002-Expenditure Budget and Line 0003-Add to Fund Balance. Must equal Line 0001-Adopted Budget.

**0961** Operating Reserve -- Either enter zero (budget all) or any amount of TFS48 that the district does not intend to spend in the budget year.

**0970** Unreserved Fund Balance Reappropriated -- The amount of Line TFS48 minus 0961-Operating Reserve. This amount will be included in the budget authority.

**Fund Balance For Budget** -- The sum of 0961-Operating Reserve and 0970-Unreserved Fund Balance Reappropriated. Must equal TFS48.

**TFS48** The amount of the Building Reserve Fund balance from Line 48-Fund Balance for Budget (961-970) of the Balance Sheet of the accompanying Trustees' Financial Summary, unless that amount is negative. If Line 48 on the Balance Sheet is negative, zero is reported.  
*MAEFAIRS calculates*

**Estimated Funding Sources (Lines 1123-9710)** -- Enter the amount estimated to be received from each revenue source listed.

**3445** State Combined Fund School Block Grant (SB424) -- The district must enter some or all of the State Combined Fund School Block Grant in one or more budgeted funds. However, the total amount shown as State Combined Fund School Block Grant on the Prefilled Data Verification report (TFS Step 1) must equal the sum of all 3445 revenue code estimates in all budgeted funds.

**9100** Other Revenue -- Used to anticipate revenue types that do not fit an anticipated revenue source shown on the list;

**AND**

**9710** Residual Equity Transfers In -- Used to anticipate the receipt of a transfer from the closure of another fund; closure of a district; or annexation of a district.

**1110** District Tax Levy -- Refer to the 'Voted Reserve Authorities' list previously completed.

-- If you checked 'Use non-levy revenue to add budget authority and not reduce the levy amount', then the district tax levy will equal the total 'Levy Amount' from the 'Voted Reserve Authorities' list.

-- If you checked yes, 'Use Estimated Non-Levy Revenue to reduce the levy amount', then the district tax levy will equal the total 'Levy amount' from the 'Voted Reserve Authorities' list MINUS the sum of Lines 1123-3460.

**999** District Mills -- Line 1110-District Tax Levy divided by (Taxable Valuation times 0.001) as provided by DOR. Rounded to nearest XX.XX. *MAEFAIRS calculates*

**0004** Total Estimated Revenues To Fund Adopted Budget -- The sum of Line 0970-Unreserved Fund Balance Reappropriated plus Estimated Funding Sources (Lines 1123-9710) plus Line 1110-District Tax Levy.

See the 'Checklist for Final Budget Report'.

## **MAEFAIRS Generated Reports**

### **Budget Summary:**

The Budget Summary Report is generated by MAEFAIRS after all individual budgets have been entered.

#### **Adopted Budget Column [B]**

This is the amount from Line 0001 for each budget on pages 5 through 15.

#### **Total Reserves (961-966) Column [C]**

The sum of reserves 961, 963, and 964 for the General Fund and 961 for other funds. General Fund reserves are shown on the General Fund Limits & Reserves Worksheet, lines (III-A) and (III-B). Other funds' reserves are shown on the individual fund budget pages, line 0961-Operating Reserve.

#### **% of Adopted Budget Reserved Column [E]**

Column [C] divided by Column [B] and multiplied by 100. In the General Fund, a limit of \$10,000 or excess reserves may cause the percentage of reserves to exceed 10%.

#### **Unreserved Fund Balance Reappropriated (970) Column [F]**

The amount of fund balance reappropriated for each fund. For the General Fund, this equals Line (III-C) from the General Fund Limits & Reserves Worksheet. For other funds this equals Line 0970-Unreserved Fund Balance Reappropriated from the individual fund budget pages.

#### **Other Revenue Column [G]**

The total funding sources other than Line 1110-District Tax Levies and Line 0970-Unreserved Fund Balance Reappropriated used to fund the budgets.

- General Fund -- The sum of Lines 3110, 3111, 3112, 3113, 3114, 3115, 3120 and 1123 through 9710 from the General Fund Budget page.
- Transportation Fund -- The sum of Estimated Funding Sources, Lines 1123-9710 and Lines 2220 and 3210.
- Retirement Fund -- The sum of Estimated Funding Sources, Lines 1510-9710 and Line 2240-County Retirement Distribution.
- All other funds -- The sum of Estimated Funding Sources Lines 1123-9710.

#### **District Property Tax Requirements Column [H]**

Column [B] minus Column [F] minus Column [G]. If less than zero, then zero is prefilled. This should equal the total of Line 1110-District Tax Levy on each individual budget page.

#### **District Mill Levies Column [I]**

District Property Tax Requirements (Column H) divided by [Taxable Valuation multiplied by 0.001].

#### TOTAL OF ALL FUNDS

The total of each column for all funds.

**NOTE:** If revenues exceed adopted budget, totals will not balance. The difference will be the amount of excess revenues on Line 0004a-Estimated Revenues Exceeding Adopted Budget of the General Fund Budget page.



## Gen Fund Limits & Reserves Worksheet

**PREFILLED INFORMATION:** Check the prefilled information on Lines (I-A) through (II-K) of the General Fund Limits & Reserves Worksheet. Use the FY11 Preliminary Budget Data Sheets found on the OPI web page <http://www.opi.mt.gov> in the <School Finance> area to double check the prefilled information. Contact Kathleen Wanner at OPI (406-444-9852) if any prefilled information is incorrect.

### **PART I.** Certified Budget Data--MAEFAIRS prefills Lines (I-A) through (I-J).

Preliminary budget data was posted to the OPI website, and an Official Email was sent to all districts in March. During legislative sessions, subsequent updates are sent as necessary to document legislative changes in May. If you notified OPI about an error in your preliminary budget data, the error should have been corrected and the change(s) reflected in the final budget data shown here. Budget data provided in this section is certified by the OPI; districts must use these certified amounts to complete the Final Budget Report.

### **PART II.** General Fund Budget Limits--This part has calculated a district's minimum/maximum budget limits and requires voted budget amount information input.

Prior Year Budget Data -- The amounts on (II-A) through (II-E) came directly from, or were calculated from, the district's final budget for the prior year as submitted to and accepted by OPI. The district has been notified if ANB changes due to audits have caused these amounts to be recalculated.

Current Year Budget Data -- MAEFAIRS prefills II-F through II-K.

**II-L.** Amount Approved on Ballot by Voters -- The amount submitted to and approved by voters, if any.

**II-M.** Adopted Budget -- The district's General Fund budget as adopted by the district trustees. The adopted budget must be within the limits calculated in Part II.

### **PART III.** General Fund Balance For Budget As of June 30 -- This section is used to report how much of the district's spendable General Fund balance as of the most recent fiscal year end is being reappropriated to fund the ensuing year's budget, and how much is being reserved, or set aside, for other purposes. The total of amounts on (III-A) through (III-C) must equal the amount on (III-D).

**III-A.** Operating Reserve (961) -- The maximum General Fund Operating Reserve allowed by law is 10% of the ensuing year's adopted budget (II-M) or \$10,000, whichever is greater (MCA, 20-9-104)

**III-B.** Excess Reserves -- If General Fund Reserves exceed 10% of the Adopted Budget (or \$10,000, if greater), any excess reserves must be identified as one or more of the following:

- (III-B1)**      Reserve for Unused Protested/Delinquent Taxes (963)
- (III-B2)**      Reserve for Tax Audit Receipts (964)

To reserve excess funds in these accounts (963 + 964), the Operating Reserve (961) must be the maximum amount allowed per MCA 20-9-104

**III-C.** Unreserved Fund Balance (970) -- Equals the difference between the amount on (III-D) and the sum of (III-A) and (III-B). The amount reported as Unreserved Fund Balance (970) is separated into:

**(III-C1)** Prior Year Excess Reserves Reappropriated (Over-BASE Only) (970a)  
The unexpended amount of Excess Reserves reported at prior fiscal year end (i.e., reported on the prior year's final budget form, General Fund Limits & Reserves Worksheet) that will be used to fund the ensuing year's over-BASE budget.

**(III-C2)** Remaining Fund Balance Available (970b) -- The difference between the amount on (III-C) and the amount on (III-C1).

**III-D.** TOTAL GENERAL FUND BALANCE FOR BUDGET (TFS48) -- The amount reported on (III-D) **MUST EQUAL** the amount reported on Line 48-Fund Balance for Budget (961-970) on the Balance Sheet of the accompanying Trustees' Financial Summary (TFS), unless Line 48 is negative. If TFS Line 48 is negative, then the amount is zero.

#### K-12 BASE Ratios

**PART IV.** District GTB Subsidy Worksheet for K-12 Districts -- Completed for K-12 districts only. If the district is not a K-12 district, Part IV will not appear on the district budget form. Go to Part V.

**(IV-A) through (IV-J)** are prefilled by OPI. This section shows the 'Subsidized BASE Ratio,' which is the percentage of the K-12 BASE that will be funded with elementary Guaranteed Tax Base (GTB) subsidies and high school GTB subsidies.

## **General Fund Worksheet:**

### **PART V. General Fund Worksheet**

#### **General Fund Budget:**

**(V-A)** Adopted General Fund Budget -- The amount from (II-M) of the General Fund Limits & Reserves Worksheet.

**(V-A1)** BASE Budget Limit -- The BASE budget amount from ( II-G) of the General Fund Limits & Reserves Worksheet.

**(V-A2)** Over-BASE Budget -- If (V-A) exceeds (V-A1), (V-A1) is subtracted from (V-A) and the difference is shown here.

#### **Funding the BASE Budget:**

**(V-B)** Direct State Aid -- Amount shown is the sum of (I-A) and (I-B) from the General Fund Limits & Reserves Worksheet.

**(V-B1)** Direct State Aid Paid By State -- Equals (I-A) from the General Fund Limits and Reserves Worksheet.

**(V-B2)** Direct State Aid Paid By Non-Isolated District -- Equals (I-B) from the General Fund Limits & Reserves Worksheet.

**(V-C)** Quality Educator – Equals (I-C) from the General Fund Limits & Reserve Worksheet.

**(V-D)** At Risk Student – Equals (I-D) from the General Fund Limits & Reserve Worksheet. Note: There is no At Risk Student Entitlement in FY10 or FY11.

**(V-E)** Indian Education For All – Equals (I-E) from the General Fund Limits & Reserve Worksheet.

**(V-F)** American Indian Achievement Gap – Equals (I-F) from the General Fund Limits & Reserve Worksheet.

**(V-G)** Special Education Allowable Cost Payment -- Equals (I-G) from the General Fund Limits & Reserves Worksheet.

**(V-H)** Remaining Fund Balance Available -- Equals (III-C2) from the General Fund Limits & Reserves Worksheet.

**(V-I)** Non-levy Revenue total (V-I1) + (V- I2)

**(V-I1)** Actual Non-levy Revenue – The sum of lines 1130-3302 from the General Fund Budget Worksheet. This amount is the actual receipt shown on the Trustees' Financial Summary (TFS) for the revenue codes listed.

**(V-I2)** Anticipated Non-levy Revenue – The sum of lines 1123-4800 from the General Fund Budget Worksheet.

**(V-J)** Other Anticipated Revenue – Equals the sum of lines 1117 – 9710 – Other Non-levy Revenue from the General Fund Budget.

**NOTE:** As of FY03, estimated tuition receipts can be used to fund the Over-BASE budget area.

**(V-K)** BASE Levy Requirements -- BASE Budget limit (V-A1) minus the sum of (V-B) through (V-J). (V-K) is funded by Guaranteed Tax Base Aid (GTBA) (if eligible) and district tax levies. If less than zero, then the amount is zero.

**(V-K1)** Guaranteed Tax Base Aid:

The following calculation is used for Elementary and High School Districts:

- |    |                                                                                            |      |       |
|----|--------------------------------------------------------------------------------------------|------|-------|
| a. | District Taxable Valuation                                                                 | (1a) | _____ |
| b. | District Mill Value [(1a) X 0.001]                                                         | (1b) | _____ |
| c. | District GTB Subsidy Per Mill (I-I) or (I-J)<br>(General Fund Limits & Reserves Worksheet) | (1c) | _____ |
| d. | Adjusted Mill Value for BASE Levy (1b) + (1c)                                              | (1d) | _____ |
| e. | BASE Levy Requirements (V-K)<br>(General Fund Worksheet)                                   | (1e) | _____ |
| f. | BASE MILLS REQUIRED (1e) divided by (1d)<br>(Rounded to the nearest XX.XX)                 | (1f) | _____ |

Guaranteed Tax Base Aid (1c) X (1f) \_\_\_\_\_

The following calculation is used for Existing & transitioning K-12 Districts:

- |     |                                                                                          |       |       |
|-----|------------------------------------------------------------------------------------------|-------|-------|
| a.  | District Taxable Valuation                                                               | (1a)  | _____ |
| b.  | District Mill Value [(1a) X 0.001]                                                       | (1b)  | _____ |
| c1. | District Elem GTB Subsidy Per Mill (I-I)<br>(General Fund Limits & Reserves Worksheet)   | (1c1) | _____ |
| c2. | District HS GTB Subsidy Per Mill (I-J)<br><br>(General Fund Limits & Reserves Worksheet) | (1c2) | _____ |
| d1. | Adjusted Mill Value for Elem BASE Levy<br>(1b) + (1c1)                                   | (1d1) | _____ |
| d2. | Adjusted Mill Value for HS BASE Levy<br>(1b) + (1c2)                                     | (1d2) | _____ |
| e1. | BASE Levy Requirements for Elem<br>(V-K) X (IV-J Elem) (K-12 BASE Ratios page)           | (1e1) | _____ |

- e2. BASE Levy Requirements for HS  
(V-K) X (IV-J HS) (K-12 BASE Ratios page) (1e2) \_\_\_\_\_
- f1. BASE MILLS REQUIRED FOR ELEM  
(1e1) divided by (1d1) (Rounded to the nearest XX.XX)(1f1) \_\_\_\_\_
- f2. BASE MILLS REQUIRED FOR HS  
(1e2) divided by (1d2) (Rounded to the nearest XX.XX)(1f2) \_\_\_\_\_
- Guaranteed Tax Base Aid  
[(1c1) X (1f1)] + [(1c2) X (1f2)] \_\_\_\_\_

**(V-K2)** District Property Tax Levy to Fund BASE (BASE Levy) -- Guaranteed Tax Base Aid (V-K1) is subtracted from (V-K). This should be approximately equal to (Taxable Valuation X .001) X BASE Mills.

To check this amount:

- For Elementary and High School districts: Multiply (1b) times (1f). This amount should be within a few dollars of (V-K2). Rounding of mills to XX.XX will cause some difference.
- For K-12 districts: Multiply (1b) x [(1f1) + (1f2)]. This amount should be within a few dollars of line (V-K2). Rounding of mills to XX.XX will cause some difference.

**(V-L)** Subtotal of BASE Budget Revenue -- The sum of (V-B) through (V-K). This amount must equal or exceed the amount on (V-A1).

### **Funding the Over-BASE Budget:**

**(V-M)** Fund Balance & Non-Levy Revenue Available To Fund Over-BASE -- If (V-L) exceeds Line (V-A1), Line (V-A1) is subtracted from (V-L) and the difference is shown here.

**NOTE:** Estimated tuition receipts can be included here to fund the Over-BASE Budget area.

**(V-N1)** Prior Year Excess Reserves Reappropriated (Over-BASE Only) -- The amount from (III-C1) from the Gen Fund Limits & Reserves Worksheet.

**(V-N2)** Tuition (Over-BASE Only) -- The amount of tuition (1310, 1320, 1330, 3117) anticipated to be deposited into the General Fund for the budget year.

**(V-O)** District Property Tax Levy to Fund Over-BASE Budget (Over-BASE Levy) -- The sum of Lines (V-M) and (V-N) subtracted from (V-A2).

**NOTE:** If the result is negative and BASE mills are zero, then the amount is zero. The amount on V-O is comprised of estimated revenue that exceeds the amount needed to fund the adopted budget.

**(V-P)** Subtotal of Over-BASE Revenue -- The sum of (V-M) through (V-O). This amount must equal or exceed the amount on (V-A2).

**Mill Levies:**

District General Fund Mill Levies -- Lines (V-Q) through (V-U) are calculated as follows, using amounts from individual fund budget pages.

**(V-Q)** District Non-Isolated Mills -- Line (V-B2) divided by the district taxable valuation times 0.001.

**(V-R)** BASE Mills-Elementary -- Line (V-K1f) BASE MILLS REQUIRED from the General Fund Budget Summary Report

Elementary BASE Mills-K-12 Schools --Line (V-K1f1) BASE MILLS REQUIRED FOR ELEM from the General Fund Budget Summary Report

**(V-S)** BASE Mills-High School -- Line (V-K1f) BASE MILLS REQUIRED from the General Fund Budget Summary Report

High School BASE Mills-K-12 Schools -- Line (V-K1f2) BASE MILLS REQUIRED FOR HS from the General Fund Budget Summary Report

**(V-T)** Over-BASE Mills -- Line (V-O) divided by the district mill value, which is (V-K1b) District Mill Value or taxable valuation times 0.001. Round to the nearest XX.XX mills.

**(V-U)** Total General Fund Mills -- The sum of (V-Q) plus (V-R) or (V-S) plus (V-T). K-12s: The sum of (V-Q) plus (V-R) plus (V-S) plus (V-T).